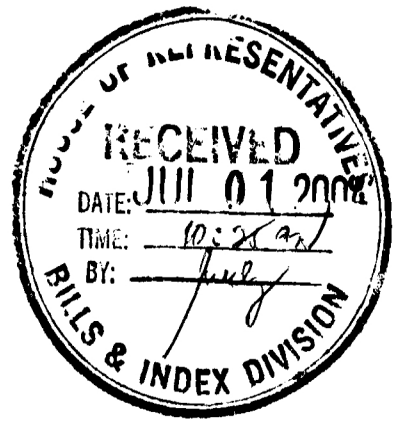


Republic of the Philippines
House of Representatives
Quezon City

Thirteenth Congress

First Regular Session

HOUSE BILL NO. 140



Introduced by **Representative JOEY SARTE SALCEDA**

EXPLANATORY NOTE

This bill seeks to create a PHP1 Billion Mayon Reconstruction and Redevelopment Fund as an appropriate long-term strategic response of the national government to the permanent threat posed by Mayon Volcano to the lives and livelihood of the people of Albay and the rest of the Bicol Region.

While the recent eruptions were not as catastrophic as Mt. Pinatubo's, nonetheless, Mayon's intrinsic destructive capability can not be understated. For strategic purposes, policymakers must assume and prepare for the worst case scenario. In short, should we wait for the potential lahar problem to get worst before we move or should we now create the infrastructure by dredging our rivers and building dams to minimize its impact on our homes and on our farms?

Furthermore, even without the Mayon threat, the Bicol Region requires special attention being the 2nd poorest region with poverty incidence of 50.2% second to ARMM's 54%. Worse, Bicol not only has the highest rate of underemployment of 42% but also the biggest number of underemployed at 898,000. Thus, the recent Mayon eruption should bring Albay's long-pressing economic problems to the attention of the national government. While the poorest region, Mindanao, due to the armed conflict is securing massive fund flows from both the national government and the foreign funding agencies; there is none for the 2nd poorest. In fact, there is not one single flagship project targeted for Bicol.

Thus, this bill intends to provide dedicated funds for relief assistance to victims in the short-term, for rehabilitation in the medium-term and for preemptive development in the long term.

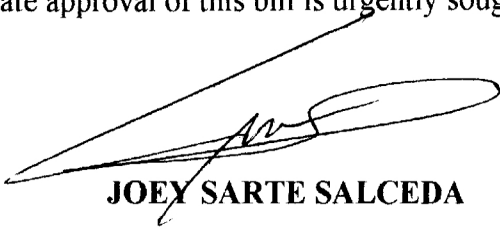
The bill seeks to similarly create a Mayon Reconstruction and Redevelopment Commission to manage the fund. Operations should greatly benefit from the lessons learned from the experience of the Mt. Pinatubo Commission.

This commission is specifically mandated to study alternatives and options for relocating major infrastructure such as the airport and seaport.

While the volcanic activities appear to have subsided and the recent impact has not been as cataclysmic, the people of Albay are dismayed by the pronouncements of some public authorities to

downplay its threat. This is no reason and there is no room for complacency. A pro-poor government can do no less for the long-suffering 2nd poorest region. The PHP1 billion fund is actually a small restitution for the long years of systemic neglect of Bicol by the national government.

Given the foregoing considerations, immediate approval of this bill is urgently sought.



JOEY SARTE SALCEDA

Republic of the Philippines
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House Bill No. 140

Introduced by **Representative JOEY SARTE SALCEDA**

AN ACT
CREATING THE MAYON RECONSTRUCTION AND REDEVELOPMENT FUND,
AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* - This Act shall be known as the "Mayon Volcano Reconstruction and Redevelopment Fund."

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to assist the communities adversely affected and permanently threatened by the eruption of Mayon Volcano and its aftereffects by extending to them relief, resettlement, rehabilitation and livelihood services and by undertaking construction or repair and reconstruction of infrastructure to the end that redevelopment of the Province of Albay and the rest of the Bicol region may be accelerated.

SEC. 3. *Statement of Objectives and Guidelines.* - This Act aims to provide dedicated funds for the immediate relief assistance to the victims; to establish resettlement centers; homesites and townsites for displaced families; to provide livelihood and employment opportunities; to repair, reconstruct or replace infrastructure damaged or destroyed by said disaster and to construct new infrastructure facilities that would minimize damage from future eruptions of Mayon and their aftereffects particularly lahar flows.

SEC. 4. *Guidelines in the Allocation of Funds.* - The following guidelines shall be observed in allocating the funds made available under this Act:

(a) In the construction or repair and reconstruction of infrastructure and facilities, priority shall be given to the resettlement centers, river control system and drainage works and such other projects as roads, bridges, communication and power lines, hospitals, school buildings, irrigation and water systems, and the like;

(b) No money shall be released without any identified program and project nor shall it be used to pay obligations incurred before the approval of this Act.

SEC. 5. *Appropriations Clause.* - To carry out the purposes of this Act, the sum of One Billion Pesos (1,000,000,000) is hereby appropriated out of any available funds in the National Treasury not otherwise appropriated. Disbursement of said one billion pesos (1,000,000,000) shall be programmed as follows:

(a) From the approval of this Act to December 31, 2001, the sum of four hundred million pesos (PHP400,000,000), at least one hundred fifty million pesos (PHP150,000,000) of which shall be for resettlement and livelihood projects and two hundred fifty million pesos (PHP250,000,000) shall be for vital infrastructure;

(b) For the year 2002, the sum of three hundred million (PHP300,000,000); and

(c) For the year 2003, the sum of three hundred million pesos (PHP 300,000,000).

Provided, however, That undisbursed amounts at the end of any year shall be carried over to the succeeding year.

SEC. 6. *Creation of the Mayon Reconstruction and Redevelopment Commission.* - For purposes of this Act there is hereby created the Mayon Volcano Reconstruction and Redevelopment Commission, hereinafter referred to as the "Mayon Commission", under the Office of the President.

It shall be organized within thirty (30) days after the approval of this Act. It shall have a term of six (6) years from its organization: Provided, That the President by proclamation may, within six (6) months prior to the expiration of the term, extend the period of its existence once for not more than three (3) years.

Such amount as may be necessary for the initial organization and/or operational expenses of the Commission shall be set aside from the amount herein appropriated.

SEC. 7. *Powers of the Commission.* - The Commission shall have the following powers:

(a) To formulate policies and plans for the relief, rehabilitation, resettlement and livelihood services as well as infrastructure support;

(b) To make determination of the areas where the lahar flow may be diverted to spare communities and/or minimize actual and potential damage to lives, habitation, infrastructure, agricultural and other resources;

(c) To apply for, receive and accept grants and donation of funds, equipment, materials and services needed for the development of the area, within and outside the Philippines;

(d) To sue and be sued in its name, and to adopt, alter and use a seal;

(e) To enter into, make, perform and carry out contracts of every class, kind and description which are necessary to the realization of its purposes with any person, firm, or corporation, private or public, and, upon consultation with President, with, foreign government entities, subject to the usual accounting and auditing requirements;

(f) To monitor the progress of the relief, rehabilitation, resettlement and livelihood as well as infrastructure support programs and projects;

(g) To coordinate and consult with concerned national and local officials, both elective and appointive, as well as accredited non-government organizations (NGOs) in the prioritization and prosecution of the programs and projects;

(h) To call upon any department, office, instrumentality, agency, or any political subdivision of the Government for such assistance as may be necessary for the attainment of the objectives of the Commission; and

(i) To conduct studies on strategic options for relocation of major infrastructure facilities such as the airport and the seaport.

(j) In general, to perform such other powers as may be necessary and proper to carry out the purposes of this Act.

SEC. 8. *Composition of the Commission.* - The Commission shall be composed of seven (7) members to be appointed by the President: four (4) coming from the Cabinet, and three (3) from the private sector. The members of the Commission shall serve for six (6) years unless sooner removed for cause. The President shall be designated the Chairman from among the members of the Commission.

SEC. 9. *Executive Director; Powers and Responsibilities.* - The President shall appoint a professional manager as the Executive Director of the Commission with a compensation to be determined by the Commission, who shall serve as the chief executive officer. He shall serve until such

time as the Commission is dissolved or unless sooner removed from office by the President. He shall have the following powers and functions:

- (a) Execute and administer the policies and decisions of the Commission;
- (b) Directly coordinate the activities of all agencies and instrumentalities of the Government in the planning and implementation of projects on site;
- (c) Monitor the programs and projects and evaluate the effects of execution by these agencies and instrumentalities and submit to the Commission periodic reports relating to the development of the areas; and
- (d) Perform such other functions as are inherently necessary in the operational management of the areas developed in accordance with the policies and guidelines formulated by the Commission.

SEC. 10. *Implementing Guidelines.* - This Act shall have the following guidelines:

(a) All projects shall be undertaken by the implementing government agencies concerned by public bidding, administration or through negotiated contracts, subject to the usual accounting and auditing rules and regulations. In the case of negotiated contracts, only duly prequalified and duly licensed contractors as of the approval of this Act can be awarded such contracts.

(b) With respect to aid, relief, resettlement, rehabilitation and livelihood services to individual beneficiaries, the Commission may seek the assistance and use the services of the Philippine National Red Cross and all other relief agencies and volunteer organizations with proven record in providing relief work.

(c) The departments and agencies of the Government involved with the aid, relief, resettlement, rehabilitation and livelihood services as well as infrastructure support shall continue to be the implementing agencies of the Commission and shall submit to the Commission every quarter the data and information required under Section 11 hereof.

(d) Residents in the affected areas, especially the victims, shall be given preference in hiring or employment in the construction or repair and reconstruction of damaged or destroyed government infrastructure and facilities and other labor requirements in all other projects.

SEC. 11. *Quarterly Report.* - The Commission shall submit to the President and to Congress a detailed quarterly report on the funds allocated indicating the amount released, obligated and disbursed for:

(a) Aid, relief, resettlement, rehabilitation and livelihood services, including the list of names of approved individual beneficiaries and contractors and the evaluation of the effectiveness of the delivery systems of such services; and

(b) Construction or repair and reconstruction of infrastructure projects, including the list of contractors and projects being financed, and the accomplishments for the expended appropriations, including the percentage of completion.

The Commission shall cause to be disseminated in the community the list of beneficiaries and contractors mentioned above. The Commission shall also submit as part of the quarterly report a list of local and foreign donors and the nature of their donations.

SEC. 12. *Joint Congressional Oversight Committee.* - There is hereby created the Joint Congressional Oversight Committee to monitor the implementation of this Act. The Committee shall be composed of five (5) senators and five (5) representatives to be appointed by the Senate President and the Speaker of the House of representatives, respectively. The Oversight Committee shall be co-chaired by the senator and the representative designated by the Senate President and Speaker of the House Of Representatives, respectively.

The mandate given to the Joint Congressional Oversight Committee under this Act shall be without prejudice to the performance of the duties and functions by the respective existing Oversight committees of the Senate and the House of Representatives.

SEC. 13. *Prohibition Against Running for Public Office.* - Officers or employees of the Commission shall not be qualified to be candidate for public office for the election next following his resignation or separation. This prohibition does not apply to the chairman and members of the Commission.

SEC. 14. *Punishable Acts.* - Any person who takes advantages of the calamity by buying and selling relief goods which he receives or should be known to him as intended for donation, or representing the source or relief goods, or submitting or approving false or inflated claim shall be prosecuted and, upon conviction, shall suffer a fine of not less than Fifty thousand pesos (P50,000.00) but not more than One million pesos (P1,000,000) or imprisonment for not less than six (6) years nor more than fifteen (15) years, or both, by the discretion of the court, including perpetual disqualification from public office if he is a public officer, and confiscation or forfeited in favor of the Government of any prohibited interest. If the offender is a corporation, partnership, association, or other juridical

entity, the penalty shall be imposed upon the officer or officers of the corporation, partnership, association, or entity responsible for such violation and, if such officer is an alien, he shall, in addition to penalties prescribed, be deported without further proceedings to the service of sentence.

SEC. 15. *Rules and Regulations.* - The President shall, after ten (10) days after the organization of the Commission, issue necessary rules and regulations for the effective implementation of this Act.

SEC. 16. *Separability Clause.* - If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 17. *Repealing Clause.* - Any law, decree, or rules and regulations which are inconsistent with or contrary to the provisions of this Act are hereby amended or repealed.

SEC. 18. *Effectivity Clause.* - This Act shall take effect upon its publication in at least two (2) national newspapers of general circulation.

Approved.